

Law Office of James M. Wines

1802 Stirrup Lane | Alexandria, VA 22308
202.297.6768 | winesj@wineslegal.com
Licensed in New York and Washington DC
Not licensed to practice in Virginia

March 13, 2020

Honorable Denise L. Cote
United States District Court
500 Pearl Street
New York, NY 10007

Re: SEC v. Lek Securities Corp., et al. Case No. 17 CV 1789 (DLC)

Your Honor:

On behalf of Defendants Avalon FA Ltd and Nathan Fayyer and Sergey Pustelnik, I write to respond to the Court's March 9, 2020 Order. The Defendants appreciate the opportunity to address this issue.

Avalon owes outstanding fees and expenses to counsel of \$191,600, and respectfully request that frozen funds be applied to satisfy that debt as the remaining Defendants have no financial means to do so.

The Court and the SEC previously received a letter dated August 22, 2018 (attached as Exhibit A), in which a former Avalon independent contractor, Maksym Gutovskyi, trader id 001_308B, claimed that he was owed \$6,250 from deposits that he had made to Avalon's account. Avalon has also received requests from two other trader ids, 009_107B and 009_102R, for the return of their funds totaling \$1197.97 and \$577.85, respectively (See, e.g. Exhibit B). None of these trader ids were identified by Professors Hendershott or Pearson of having engaged in the trading found violative by the jury and Avalon does not dispute their claims.

Avalon is not aware of any other unsatisfied claims that would preclude the application of the remaining funds toward satisfaction of any monetary judgment against Defendants. Avalon hereby consents to the application of the remaining funds for that purpose.

Respectfully submitted,



James Wines